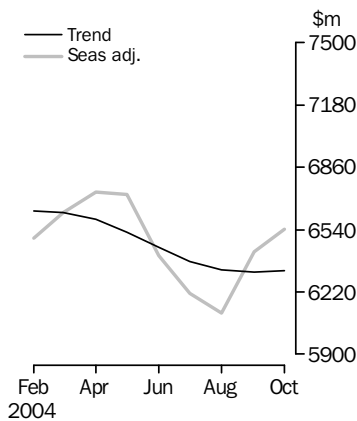


# LENDING FINANCE

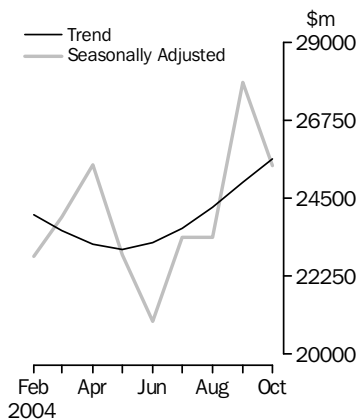
AUSTRALIA

EMBARGO: 11.30AM (CANBERRA TIME) FRI 10 DEC 2004

## Personal finance



## Commercial finance



## KEY FIGURES

	Sep 2004	Oct 2004	Sep 2004 to Oct 2004
	\$m	\$m	% change
<b>TREND ESTIMATES</b>			
Housing finance for owner occupation	10 216	10 249	0.3
Personal finance	6 321	6 329	0.1
Commercial finance	24 962	25 637	2.7
Lease finance	529	546	3.3
<b>SEASONALLY ADJUSTED ESTIMATES</b>			
Housing finance for owner occupation	10 251	10 205	-0.4
Personal finance	6 428	6 544	1.8
Commercial finance	27 854	25 444	-8.7
Lease finance	570	541	-5.1

## KEY POINTS

### HOUSING FINANCE FOR OWNER OCCUPATION

- The total value of owner-occupied housing commitments decreased by 0.4% (seasonally adjusted) in October 2004. The trend series increased by 0.3%.

### PERSONAL FINANCE

- The seasonally adjusted series for total personal finance commitments rose by 1.8% in October 2004. Fixed lending and revolving credit commitments increased by 0.4% and 3.0%, respectively.
- The total personal finance trend series increased by 0.1% in October 2004, the first monthly increase after eleven consecutive monthly decreases.

### COMMERCIAL FINANCE

- The total commercial finance series (seasonally adjusted) fell by 8.7% in October 2004. Fixed lending increased by 11.4% and revolving credit decreased by 35.6%.
- The purchase of dwellings by individuals for rent or resale (seasonally adjusted) series fell by 8.0% in October 2004, after a rise of 4.8% in the previous month.
- The trend series for total commercial finance increased by 2.7% in October 2004. The fixed lending and revolving credit trend series rose by 2.8% and 2.6%, respectively.

### LEASE FINANCE

- Lease finance (seasonally adjusted) decreased by 5.1% in October 2004.
- The lease finance trend rose by 3.3% in October 2004, the fifth month of small increases following eight successive monthly falls.

## INQUIRIES

- For further information about these and related statistics, contact the National Information and Referral Service on 1300 135 070 or Vincent Nguyen on Canberra (02) 6252 6398.

# NOTES

## FORTHCOMING ISSUES

<i>ISSUE</i>	<i>RELEASE DATE</i>
November 2004	19 January 2005
December 2004	15 February 2005
January 2005	15 March 2005
February 2005	13 April 2005
March 2005	13 May 2005
April 2005	10 June 2005

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## CHANGES IN THIS ISSUE

The annual seasonal re-analysis has been undertaken on data up to September 2004. This has resulted in revisions to the seasonally adjusted and trend estimates for some series.

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## ABBREVIATIONS

- \$m million dollars
- ABS Australian Bureau of Statistics
- n.e.c. not elsewhere classified
- RBA Reserve Bank of Australia

Dennis Trewin  
Australian Statistician

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## ADDITIONAL TABLES ON AUSSTATS

### TABLES AVAILABLE ON AUSSTATS

Additional tables are available from the AusStats service on <<http://www.abs.gov.au>> by selecting *Time Series Spreadsheets* and then *Finance*.

Tables available are:

- longer time series of tables in this publication
- the following tables
  - C1a. Commercial finance commitments (original, seasonally adjusted, trend)
  - C1b. Commercial finance commitments, fixed loans and revolving credit
  - C1c. Commercial finance commitments, fixed loans and revolving credit by lender
  - C1d. Commercial finance commitments, fixed loans by industry
  - C1e. Commercial finance commitments, revolving credit by industry
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  - L1c. Lease finance commitments by purpose and lender
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## SUMMARY OF FINDINGS

### HOUSING FINANCE FOR OWNER OCCUPATION

The total value of commitments excluding alterations and additions (seasonally adjusted) decreased by 0.4% in October 2004. The trend series increased by 0.3%.

For further information, please refer to *Housing Finance, Australia* (cat. no. 5609.0).

### PERSONAL FINANCE

In seasonally adjusted terms, total personal finance rose by 1.8% to \$6,544 million in October 2004, the second consecutive monthly increase. Fixed lending and revolving credit commitments increased by 0.4% and 3.0%, respectively.

In original terms, revolving credit commitments increased by 1.4% in October, due to the increase in unsecured revolving credit (up 23.9%) more than offsetting the decrease in secured revolving credit (down 15.7%).

In original terms, fixed lending commitments decreased by 2.7%, to \$2,840 million in October 2004. This was due mainly to decreases in total motor vehicles (down 3.3%), other fixed lending (down 3.0%), and refinancing (down 3.3%).

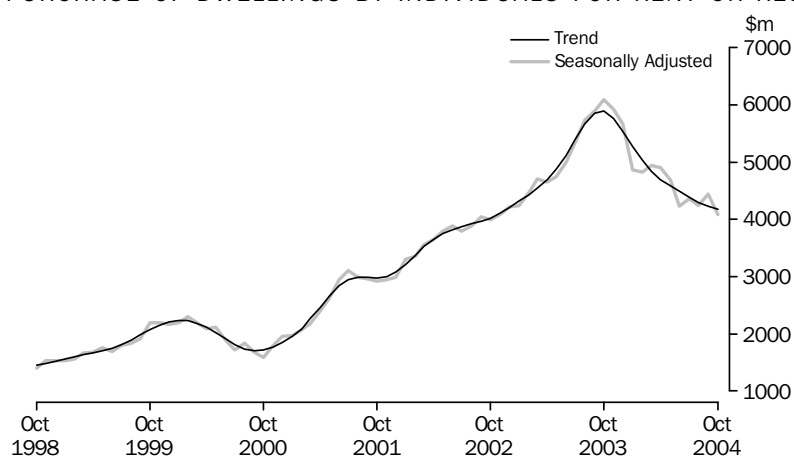
### COMMERCIAL FINANCE

Total commercial finance series (seasonally adjusted) decreased by 8.7% to \$25,444 million in October 2004. Revolving credit decreased by 35.6% which returned this series to its historical levels after a large increase of 47.2% in September. Fixed lending increased by 11.4%.

In original terms, fixed lending commitments increased by 9.6%. Increases were recorded in construction finance (up 149.5%) and refinancing (up 71.8%). In contrast, wholesale finance and other fixed lending fell by 8.2% and 8.8%, respectively. Revolving credit commitments (original) decreased by 42.6%.

The seasonally adjusted purchase of dwellings for rent or resale by individuals series decreased to \$4,091 million (down 8.0%) in October 2004. The trend series fell by 1.1% in October 2004, the twelfth consecutive monthly decline.

### PURCHASE OF DWELLINGS BY INDIVIDUALS FOR RENT OR RESALE



### LEASE FINANCE

Total lease finance series (seasonally adjusted) decreased by 5.1% to \$541 million in October 2004, after three monthly increases. The lease finance trend series grew by 3.3% in October 2004, still driven by the strong growth in the seasonally adjusted series over the three months to September 2004.

**FINANCE COMMITMENTS, Summary**

Month	SECURED HOUSING(a)		PERSONAL(b)			COMMERCIAL			LEASE
	Construction and purchase of dwellings(c)	Alterations and additions	Fixed loans(c)	Revolving credit(d)	Total	Fixed loans(c)	Revolving credit(d)	Total	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
<b>ORIGINAL</b>									
<b>2003</b>									
October	11 604	610	3 016	3 981	6 997	17 091	12 282	29 373	627
November	10 643	542	2 741	4 043	6 784	15 504	8 290	23 794	567
December	10 611	495	2 866	3 890	6 755	20 648	10 127	30 775	569
<b>2004</b>									
January	7 894	391	2 417	3 209	5 626	11 290	6 067	17 358	364
February	8 759	529	2 645	3 196	5 841	12 774	6 101	18 875	437
March	10 768	618	3 117	3 999	7 115	16 706	7 151	23 857	562
April	9 544	510	2 620	3 654	6 274	14 132	9 987	24 119	456
May	10 323	500	2 827	3 915	6 742	17 006	5 872	22 878	464
June	10 458	511	3 090	4 290	7 380	17 984	8 531	26 515	603
July	10 562	495	3 003	3 573	6 576	16 997	8 756	25 753	520
August	10 497	478	2 909	3 213	6 122	15 760	8 395	24 155	521
September	10 542	487	2 919	3 491	6 411	15 928	12 228	28 156	593
October	9 951	453	2 840	3 541	6 381	17 457	7 023	24 480	504
<b>SEASONALLY ADJUSTED</b>									
<b>2003</b>									
October	11 073	555	2 927	3 820	6 747	16 577	12 599	29 176	616
November	10 720	546	2 884	3 856	6 740	16 458	7 873	24 331	611
December	10 367	511	2 872	3 789	6 661	19 018	8 293	27 312	522
<b>2004</b>									
January	9 552	463	2 629	3 943	6 572	14 350	7 852	22 202	474
February	9 641	533	2 746	3 749	6 496	15 448	7 370	22 818	517
March	9 779	537	2 817	3 809	6 626	16 408	7 563	23 971	530
April	10 007	538	2 775	3 959	6 733	15 913	9 556	25 469	516
May	9 965	490	2 830	3 892	6 722	16 005	6 870	22 875	487
June	9 857	486	2 797	3 610	6 407	13 945	7 000	20 945	420
July	10 219	503	2 911	3 302	6 213	15 492	7 892	23 384	478
August	10 195	488	2 915	3 198	6 113	15 297	8 081	23 377	535
September	10 251	485	2 951	3 476	6 428	15 961	11 893	27 854	570
October	10 205	448	2 964	3 580	6 544	17 783	7 661	25 444	541
<b>TREND</b>									
<b>2003</b>									
October	10 843	550	2 873	3 840	6 713	16 639	7 707	24 346	573
November	10 604	537	2 851	3 857	6 709	16 721	7 813	24 534	564
December	10 293	524	2 816	3 857	6 673	16 614	7 914	24 529	549
<b>2004</b>									
January	10 005	516	2 782	3 863	6 645	16 379	7 966	24 345	531
February	9 814	514	2 761	3 876	6 637	16 086	7 942	24 028	514
March	9 754	515	2 760	3 868	6 628	15 782	7 795	23 578	498
April	9 806	515	2 780	3 812	6 592	15 485	7 684	23 169	487
May	9 920	511	2 813	3 714	6 527	15 308	7 720	23 028	484
June	10 031	503	2 849	3 599	6 448	15 306	7 918	23 224	486
July	10 107	492	2 880	3 497	6 377	15 411	8 227	23 638	495
August	10 166	483	2 911	3 424	6 334	15 668	8 584	24 251	511
September	10 216	474	2 939	3 383	6 321	16 041	8 921	24 962	529
October	10 249	467	2 964	3 364	6 329	16 487	9 150	25 637	546

(a) For owner occupation.

(b) Includes unsecured housing finance for owner occupation.

(c) Includes refinancing.

(d) New and increased credit limits during the month. Includes credit cards.

**HOUSING AND PERSONAL FINANCE COMMITMENTS, By Lender: Original**

Month	HOUSING FINANCE (a)					PERSONAL FINANCE (b)				
	Banks	Permanent building societies	Wholesale lenders n.e.c.	Other lenders	Total	Banks	Credit co-operatives	Finance companies	Other lenders	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
<b>2003</b>										
October	8 848	383	1 836	537	11 604	5 593	278	911	214	6 997
November	8 143	351	1 636	513	10 643	5 300	264	986	235	6 784
December	8 125	327	1 597	561	10 611	5 399	299	878	179	6 755
<b>2004</b>										
January	6 038	237	1 117	502	7 894	4 259	249	880	238	5 626
February	6 691	280	1 282	506	8 759	4 385	253	931	272	5 841
March	8 203	329	1 639	597	10 768	5 543	324	978	271	7 115
April	7 473	267	1 298	505	9 544	4 894	285	837	259	6 274
May	8 038	316	1 452	518	10 323	5 300	273	897	272	6 742
June	8 138	273	1 538	509	10 458	5 862	283	994	241	7 380
July	8 231	297	1 474	561	10 562	5 209	261	881	225	6 576
August	8 069	284	1 556	588	10 497	4 766	265	544	547	6 122
September	8 113	303	1 547	579	10 542	5 062	np	np	550	6 411
October	7 706	302	1 429	514	9 951	5 013	254	545	568	6 381

np not available for publication but included in totals where applicable, unless otherwise indicated

- (a) Secured finance for owner occupation. Excludes alterations and additions.
- (b) Includes unsecured housing finance for owner occupation.

COMMERCIAL AND LEASE FINANCE COMMITMENTS, By Lender: **Original**

Month	COMMERCIAL FINANCE					LEASE FINANCE				
	Banks	Money market corporations	Finance companies	Other lenders	Total	Banks	General financiers	Finance companies	Other lessors	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
<b>2003</b>										
October	26 615	np	542	np	29 373	190	202	123	112	627
November	20 214	np	510	np	23 794	144	218	103	102	567
December	26 558	1 427	533	2 257	30 775	159	187	114	109	569
<b>2004</b>										
January	14 091	np	371	np	17 358	121	117	77	50	364
February	14 840	235	458	3 342	18 875	145	128	94	69	437
March	20 256	np	554	np	23 857	182	172	121	87	562
April	np	np	440	np	24 119	160	114	108	73	456
May	20 323	np	463	np	22 878	164	113	115	72	464
June	23 281	138	563	2 532	26 515	221	137	151	95	603
July	22 792	416	451	2 094	25 753	199	124	111	85	520
August	20 540	np	404	np	24 155	195	127	107	91	521
September	np	309	382	5 143	28 156	197	207	101	87	593
October	21 864	208	407	2 001	24 480	169	142	104	89	504

np not available for publication but included in totals where applicable, unless otherwise indicated



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## PERSONAL FINANCE COMMITMENTS, By Purpose (Fixed Loans): Original

<i>Month</i>	<i>New motor cars and station wagons</i>	<i>Used motor cars and station wagons</i>	<i>Total motor vehicles(a)</i>	<i>Individual residential blocks of land</i>	<i>Unsecured finance for owner occupation(b)</i>	<i>Debt consolidation</i>	<i>Refinancing</i>	<i>Other(c)</i>	<i>Total</i>
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
<b>2003</b>									
October	327	491	907	412	50	222	593	832	<b>3 016</b>
November	284	427	792	358	48	202	602	739	<b>2 741</b>
December	328	458	859	370	52	204	603	778	<b>2 866</b>
<b>2004</b>									
January	305	458	829	258	38	199	473	620	<b>2 417</b>
February	329	472	884	302	47	240	469	703	<b>2 645</b>
March	376	535	1 009	364	56	288	560	840	<b>3 117</b>
April	307	446	832	320	47	236	460	725	<b>2 620</b>
May	321	463	877	367	46	261	529	747	<b>2 827</b>
June	373	504	980	382	47	244	606	831	<b>3 090</b>
July	367	500	962	366	44	240	595	795	<b>3 003</b>
August	352	503	957	376	48	224	566	737	<b>2 909</b>
September	331	495	937	354	48	234	558	787	<b>2 919</b>
October	324	474	906	346	39	245	540	764	<b>2 840</b>

(a) Includes motorcycles and other motor vehicles.

(b) Includes alterations and additions.

(c) Includes boats, caravans and trailers, household goods, travel and holidays and other purposes.

PERSONAL FINANCE COMMITMENTS, Revolving Credit Stocks and Flows: **Original**

Month	NEW AND INCREASED CREDIT LIMITS			CANCELLATIONS AND REDUCTIONS	CREDIT AT END OF MONTH	
	Secured	Unsecured	Total	Total	Total limits(a)	Credit used
	\$m	\$m	\$m	\$m	\$m	\$m
<b>2003</b>						
October	2 329	1 652	<b>3 981</b>	1 199	163 367	78 957
November	2 001	2 042	<b>4 043</b>	1 344	166 176	80 184
December	2 132	1 758	<b>3 890</b>	1 395	168 678	81 611
<b>2004</b>						
January	1 618	1 591	<b>3 209</b>	1 213	170 727	82 610
February	1 803	1 393	<b>3 196</b>	1 407	172 456	83 995
March	2 177	1 821	<b>3 999</b>	1 416	174 827	85 183
April	1 795	1 859	<b>3 654</b>	1 353	177 179	86 371
May	2 001	1 914	<b>3 915</b>	2 157	183 562	88 714
June	2 347	1 943	<b>4 290</b>	1 593	186 231	90 346
July	2 100	1 473	<b>3 573</b>	1 384	188 400	92 492
August	1 840	1 373	<b>3 213</b>	1 288	189 240	92 806
September	1 982	1 510	<b>3 491</b>	1 608	191 118	94 189
October	1 670	1 871	<b>3 541</b>	1 774	193 469	95 778

(a) This figure sometimes reflects a rebasing of the data by one or more lenders without adjustment to earlier periods' commitments advanced or cancelled.

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## COMMERCIAL FINANCE COMMITMENTS, By Purpose (Fixed Loans): Original

Month	Construction finance	Purchase of real property	Wholesale finance	Purchase of plant and equipment	Refinancing	Other	Total	Commitments not drawn at end of month
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
<b>2003</b>								
October	1 397	8 516	np	1 103	949	np	<b>17 091</b>	26 458
November	766	7 286	670	1 014	1 392	4 376	<b>15 504</b>	21 059
December	1 720	7 525	549	1 074	1 777	8 003	<b>20 648</b>	23 392
<b>2004</b>								
January	1 131	4 929	np	1 034	655	np	<b>11 290</b>	21 857
February	748	5 626	np	880	1 225	np	<b>12 774</b>	29 414
March	1 581	7 112	727	1 210	2 211	3 865	<b>16 706</b>	30 492
April	776	5 917	724	886	1 187	4 642	<b>14 132</b>	30 357
May	1 408	6 283	735	936	1 366	6 277	<b>17 006</b>	30 242
June	2 147	6 943	736	1 187	1 501	5 470	<b>17 984</b>	29 727
July	1 642	6 401	1 012	1 118	1 328	5 497	<b>16 997</b>	31 420
August	1 569	6 089	729	1 014	1 655	4 703	<b>15 760</b>	29 793
September	1 044	6 545	708	1 023	1 198	5 410	<b>15 928</b>	29 505
October	2 606	6 201	650	1 008	2 057	4 935	<b>17 457</b>	28 154

np not available for publication but included in totals where applicable, unless otherwise indicated

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## LEASE AND COMMERCIAL FINANCE COMMITMENTS, Stocks and Flows: Original

Month	LEASE FINANCE		COMMERCIAL REVOLVING CREDIT			
	Total commitments	Commitments not drawn at end of month	New and increased credit limits	Cancellations and reductions	Total credit limits at end of month	Credit used at end of month
	\$m	\$m	\$m	\$m	\$m	\$m
<b>2003</b>						
October	627	441	12 282	11 109	223 384	111 450
November	567	413	8 290	8 523	222 945	112 325
December	569	372	10 127	9 210	223 826	112 111
<b>2004</b>						
January	364	431	6 067	5 579	224 271	112 719
February	437	447	6 101	6 561	224 419	112 003
March	562	472	7 151	6 958	224 210	111 504
April	456	414	9 987	5 733	228 575	114 781
May	464	434	5 872	5 212	228 977	113 802
June	603	442	8 531	6 210	231 286	117 488
July	520	745	8 756	5 533	234 396	117 051
August	521	709	8 395	6 673	233 920	117 578
September	593	755	12 228	5 937	240 836	119 314
October	504	636	7 023	6 922	241 011	121 967

## FINANCE COMMITMENTS (a), For Housing (Owner Occupation and Commercial)

Month	OWNER OCCUPATION (SECURED FINANCE)				OWNER OCCUPATION (UNSECURED FINANCE)	COMMERCIAL FINANCE(b)			ALL HOUSING FINANCE
	Construction of dwellings	Purchase of new dwellings	Purchase of established dwellings	Alterations and additions	Total(c)	Construction of dwellings for rent or resale	Purchase of dwellings by individuals for rent or resale	Purchase of dwellings by others for rent or resale	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
ORIGINAL									
<b>2003</b>									
October	1 147	479	9 977	610	50	547	6 308	741	<b>19 858</b>
November	1 027	472	9 143	542	48	430	5 585	610	<b>17 858</b>
December	1 054	473	9 084	495	52	554	5 580	561	<b>17 853</b>
<b>2004</b>									
January	795	308	6 791	391	38	340	3 849	381	<b>12 892</b>
February	865	423	7 472	529	47	389	4 287	395	<b>14 406</b>
March	1 041	436	9 290	618	56	603	5 460	479	<b>17 984</b>
April	933	418	8 193	510	47	404	4 644	392	<b>15 540</b>
May	1 047	419	8 857	500	46	551	4 909	485	<b>16 813</b>
June	1 060	444	8 954	511	47	684	4 984	551	<b>17 236</b>
July	1 080	455	9 027	495	44	596	4 513	483	<b>16 692</b>
August	1 045	452	9 000	478	48	595	4 479	516	<b>16 613</b>
September	1 020	452	9 070	487	48	575	4 509	407	<b>16 568</b>
October	948	430	8 573	453	39	516	4 018	411	<b>15 389</b>
SEASONALLY ADJUSTED (d)									
<b>2003</b>									
October	1 076	467	9 530	555	49	472	6 090	838	<b>18 888</b>
November	1 050	473	9 198	546	47	456	5 920	571	<b>18 270</b>
December	1 003	437	8 927	511	48	520	5 674	480	<b>17 479</b>
<b>2004</b>									
January	1 020	363	8 169	463	44	430	4 858	484	<b>16 032</b>
February	993	458	8 190	533	46	473	4 821	468	<b>15 991</b>
March	988	405	8 386	537	49	524	4 946	485	<b>16 354</b>
April	1 022	447	8 538	538	49	449	4 902	452	<b>16 348</b>
May	1 008	418	8 539	490	44	541	4 697	455	<b>16 192</b>
June	980	423	8 454	486	44	567	4 234	387	<b>15 626</b>
July	965	438	8 816	503	45	589	4 365	499	<b>16 238</b>
August	983	444	8 768	488	52	583	4 243	494	<b>15 929</b>
September	978	443	8 830	485	49	579	4 446	450	<b>16 240</b>
October	964	445	8 796	448	42	483	4 091	456	<b>15 649</b>
TREND (d)									
<b>2003</b>									
October	1 050	418	9 375	550	49	499	5 888	559	<b>18 383</b>
November	1 041	430	9 132	537	48	477	5 760	538	<b>17 973</b>
December	1 028	434	8 831	524	47	465	5 532	516	<b>17 399</b>
<b>2004</b>									
January	1 016	432	8 557	516	47	464	5 271	495	<b>16 828</b>
February	1 006	426	8 382	514	47	472	5 034	474	<b>16 388</b>
March	1 001	422	8 331	515	47	488	4 840	460	<b>16 132</b>
April	998	423	8 385	515	47	509	4 696	452	<b>16 043</b>
May	995	428	8 497	511	47	533	4 589	451	<b>16 057</b>
June	989	432	8 610	503	47	553	4 489	454	<b>16 068</b>
July	983	435	8 690	492	47	564	4 384	457	<b>16 030</b>
August	976	438	8 751	483	47	566	4 295	462	<b>15 983</b>
September	971	443	8 802	474	47	561	4 226	465	<b>15 937</b>
October	966	445	8 838	467	47	555	4 178	468	<b>15 900</b>

(a) Includes refinancing.

(b) Excludes revolving credit.

(c) Includes alterations and additions.

(d) Sum of housing component series may not equal total housing finance (see paragraph 14 in Explanatory Notes).

FINANCE COMMITMENTS, For Motor Vehicles: **Original**

Month	PERSONAL FINANCE(a)					COMMERCIAL	LEASE	ALL VEHICLE
	.....					FINANCE(a)	FINANCE	FINANCE
	<i>New motor cars and station wagons</i>	<i>Used motor cars and station wagons</i>	<i>Motorcycles</i>	<i>Other motor vehicles</i>	<i>Total</i>	<i>Total</i>	<i>Total</i>	<i>Total</i>
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
<b>2003</b>								
October	327	491	17	72	907	686	278	<b>1 871</b>
November	284	427	16	65	792	636	236	<b>1 664</b>
December	328	458	16	58	859	705	271	<b>1 835</b>
<b>2004</b>								
January	305	458	15	52	829	497	162	<b>1 488</b>
February	329	472	18	64	884	579	223	<b>1 686</b>
March	376	535	19	78	1 009	687	273	<b>1 969</b>
April	307	446	17	62	832	570	251	<b>1 652</b>
May	321	463	18	76	877	614	250	<b>1 741</b>
June	373	504	17	87	980	752	303	<b>2 034</b>
July	367	500	18	78	962	637	262	<b>1 862</b>
August	352	503	15	87	957	629	258	<b>1 844</b>
September	331	495	16	94	937	608	263	<b>1 808</b>
October	324	474	18	91	906	606	262	<b>1 774</b>

(a) Excludes revolving credit.

LEASE FINANCE COMMITMENTS, For Motor Vehicles: **Original**

<i>Month</i>	MOTOR CARS AND STATION WAGONS		LIGHT TRUCKS		HEAVY TRUCKS		OTHER MOTOR VEHICLES	ALL VEHICLES
	<i>New</i>	<i>Used</i>	<i>New</i>	<i>Used</i>	<i>New</i>	<i>Used</i>	<i>Total</i>	<i>Total</i>
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
<b>2003</b>								
October	177	33	22	3	27	10	7	<b>278</b>
November	149	31	17	3	25	4	8	<b>236</b>
December	186	34	21	2	18	2	7	<b>271</b>
<b>2004</b>								
January	111	26	11	1	8	2	3	<b>162</b>
February	144	33	16	5	16	3	6	<b>223</b>
March	170	39	21	4	28	3	8	<b>273</b>
April	155	31	17	3	22	13	9	<b>251</b>
May	157	38	20	4	16	4	10	<b>250</b>
June	184	44	30	5	26	5	10	<b>303</b>
July	169	40	24	3	15	3	7	<b>262</b>
August	161	41	20	3	17	5	12	<b>258</b>
September	154	41	19	4	20	5	22	<b>263</b>
October	165	40	18	2	16	6	13	<b>262</b>

Month	COMMERCIAL FINANCE(a)			LEASE FINANCE	ALL PLANT AND EQUIPMENT FINANCE
	Transport equipment(b)	Other plant and equipment	Total	Total	Total
	\$m	\$m	\$m	\$m	\$m
<b>2003</b>					
October	81	336	417	349	<b>766</b>
November	70	308	378	331	<b>709</b>
December	62	306	369	298	<b>667</b>
<b>2004</b>					
January	35	503	537	202	<b>740</b>
February	46	254	301	214	<b>515</b>
March	58	465	523	289	<b>812</b>
April	47	269	317	205	<b>521</b>
May	57	266	323	215	<b>537</b>
June	94	342	436	300	<b>735</b>
July	132	349	481	258	<b>739</b>
August	59	327	385	263	<b>648</b>
September	77	339	415	329	<b>745</b>
October	71	331	402	242	<b>645</b>

(a) Excludes revolving credit.

(b) Excludes motor vehicles (see tables 9 and 10).

LEASE FINANCE COMMITMENTS, For Plant and Equipment: **Original**

Month	Transport equipment (a)	Construction and earthmoving equipment	Agricultural machinery and equipment	Manufacturing equipment	Electronic data processing equipment	Office machines	Shop and office furniture, fittings and equipment	Other goods	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
<b>2003</b>									
October	6	36	13	38	109	73	23	50	<b>349</b>
November	4	42	12	25	109	77	17	46	<b>331</b>
December	7	17	13	26	107	63	19	47	<b>298</b>
<b>2004</b>									
January	2	10	12	16	80	43	9	30	<b>202</b>
February	3	16	16	13	75	41	12	37	<b>214</b>
March	6	22	13	24	109	52	16	46	<b>289</b>
April	9	24	13	14	62	42	12	30	<b>205</b>
May	8	20	18	16	51	49	19	33	<b>215</b>
June	10	33	27	31	71	49	19	59	<b>300</b>
July	5	55	11	28	50	46	18	45	<b>258</b>
August	3	30	8	18	105	46	15	37	<b>263</b>
September	8	31	17	25	142	46	18	42	<b>329</b>
October	5	24	14	18	88	39	14	41	<b>242</b>

(a) Excludes motor vehicles (see tables 9 and 10).



## EXPLANATORY NOTES

### INTRODUCTION

- 1** This publication presents statistics of finance commitments made by significant lenders for the purposes of secured housing finance for owner occupation, other personal finance, commercial finance and lease finance.
- 2** *Secured housing finance for owner occupation* is secured finance to individuals for the purchase or construction of dwellings for owner occupation, and for alterations and additions to existing owner occupied dwellings. Refinancing involving a change of lender is also included, while refinancing with the same lender is excluded from all estimates.
- 3** *Personal finance*, other than secured housing finance for owner occupation, is finance provided to individuals for their personal, non-business, use. Both fixed loans and revolving credit finance are included.
- 4** *Commercial finance* is finance provided to individuals and corporations for business or investment purposes, including for the construction or purchase of dwellings for rental or resale. Fixed loans, revolving credit and commercial hire purchase are included.
- 5** *Lease finance* includes finance and leverage leases. Operating lease finance statistics are provided as spreadsheets on AusStats.

### SCOPE

- 6** Finance commitments made by the following types of lenders are included:
  - Banks
  - Permanent building societies
  - Credit unions/cooperative credit societies
  - Life or general insurance companies
  - General government enterprises
  - Superannuation funds
  - Securitiser of mortgage assets (wholesale lenders) which provide funds to borrowers through a retail intermediary (e.g. mortgage originators)
  - Other Registered Financial Corporations.

### COVERAGE

- 7** The statistics cover all bank commitments, and all commitments for secured housing finance for owner occupation made by permanent building societies. Of the remaining commitments, the largest lenders for each of secured housing finance for owner occupation, other personal finance, commercial finance and lease finance are covered, so that when calculated separately for each of the four broad categories of purpose finance, at least 95% of Australia-wide finance commitments and at least 90% of each state's finance commitments are covered. While many lenders other than banks are not covered, at least 70% coverage is maintained for all published lender types (including the Other Lenders series and Other Lessors series).
- 8** An annual collection is conducted to maintain and update the survey coverage. New lenders are included as their lending for any of the four categories of finance becomes sufficiently large.
- 9** From June 2001, the statistics for:
  - secured housing finance for owner occupation cover all commitments by banks and permanent building societies, and commitments by all other lenders which provided more than \$50m for housing finance in 2000
  - personal finance cover all commitments by banks, and commitments by all other lenders which provided more than \$96m for personal finance in 2000.
- 10** From June 2002, the statistics for:
  - commercial finance cover all commitments by banks, and commitments by all other lenders which provided more than \$484m for commercial finance in 2001
  - lease finance cover all commitments by banks, and commitments by all other lenders which provided funds of more than \$31m for lease finance in 2001.

## EXPLANATORY NOTES *continued*

- COVERAGE *continued*
- 11** Additional smaller lenders are also covered where it is necessary to maintain collection coverage (as specified in paragraph 7).
- REVISIONS
- 12** Revisions to previously published statistics are included in the publication as they occur.
- 13** Changes in the classification of lenders (e.g. the conversion of a permanent building society to a bank) are reflected in the Lender series from the month of the change. Data for earlier periods for such lenders are not reclassified. Details of the establishment of new banks are published in the Reserve Bank of Australia's monthly *Bulletin* in the section on Technical Notes to Tables.
- SEASONAL ADJUSTMENT
- 14** Seasonal adjustment is a means of removing the estimated effects of normal seasonal variation and 'trading day effects'. A 'trading day effect' reflects the varying amounts of activity on different days of the week and the different number of days of the week in any month (i.e. the number of Sundays, Mondays, etc.). This effect may be partly caused by the reporting practices of the lenders. Adjustment is also made for Easter which may affect the March and April estimates differently. Seasonal adjustment does not remove the effect of irregular or non-seasonal influences (e.g. a change in interest rates) from the series.
- 15** Housing component series have been seasonally adjusted independently of the total housing series. Therefore the sum of the housing components is unlikely to equal the housing total.
- 16** The lending finance series uses a concurrent seasonal adjustment methodology to derive the seasonal adjustment factors. This means that original estimates available at the current reference month are used to estimate seasonal factors for the current and previous months. As a result of this methodology, the seasonally adjusted and trend estimates for earlier periods can be revised each month. However, in most instances, the only noticeable revisions will be to the previous month and the same month a year ago.
- TREND ESTIMATES
- 17** Smoothing seasonally adjusted series reduces the impact of the irregular component of the seasonally adjusted series and creates trend estimates. These trend estimates are derived by applying a 13 term Henderson-weighted moving average to all but the last six months of the respective seasonally adjusted series. Trend series are created for the last six months by applying surrogates of the Henderson moving average to the seasonally adjusted series. For further information, refer to *Information Paper: A Guide to Interpreting Time Series—Monitoring Trends: An Overview* (cat. no. 1348.0) or contact the Assistant Director, Time Series Analysis on Canberra (02) 6252 6345 or by email at <timeseries@abs.gov.au>.
- 18** While the smoothing technique described in paragraph 16 enables trend estimates to be produced for the latest few months, it does result in revisions to the trend estimates as new data become available. Generally, revisions become smaller over time and, after three months, usually have a negligible impact on the series. Changes in the original data and re-estimation of seasonal factors may also lead to revisions to the trend.
- EFFECTS OF ROUNDING
- 19** Where figures have been rounded, discrepancies may occur between sums of the component items and totals. Percentage changes in this publication have been derived from unrounded data.
- ABS DATA AVAILABLE ON REQUEST
- 20** Estimates for months prior to those shown in this publication and more detailed series can be purchased in spreadsheet format from the Australian Bureau of Statistics (ABS) web site. For more information, contact the ABS National Information and Referral Service on 1300 135 070.
- RELATED PUBLICATIONS
- 21** Users may also wish to refer to the following ABS releases:

## EXPLANATORY NOTES *continued*

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### RELATED PUBLICATIONS

*continued*

- *Housing Finance, Australia* (cat. no. 5609.0)
- *Assets and Liabilities of Australian Securitizers* (cat. no. 5232.0.0.40.001)
- *Building Approvals, Australia* (cat. no. 8731.0)
- *Building Activity, Australia: Dwelling Unit Commencements, Preliminary* (cat. no. 8750.0)
- *Private New Capital Expenditure and Expected Expenditure, Australia* (cat. no. 5625.0)
- *Sales of New Motor Vehicles, Australia Electronic Publication* (cat. no. 9314.0).

**22** In addition, the Reserve Bank of Australia (RBA) produces the monthly *Reserve Bank of Australia Bulletin*, the tables of which are available on the RBA web site <<http://www.rba.gov.au>>. The Australian Prudential Regulation Authority (APRA) also publishes a range of finance statistics on its web site <<http://www.apra.gov.au>>.

**23** Current publications produced by the ABS are listed in the *Catalogue of Publications and Products* (cat. no. 1101.0). The *Catalogue* is available from any ABS office or the ABS web site <<http://www.abs.gov.au>>. The ABS also issues a daily Release Advice on the web site which details products to be released in the week ahead.

## GLOSSARY

<b>Agricultural machinery and equipment</b>	Includes tractors, tillage implements, seeding, planting and fertilising equipment, agricultural mowers, harvesters, etc.
<b>Alterations and additions</b>	Comprises all structural and non-structural changes which are integral to the functional and structural design of a dwelling. Examples are garages, carports, pergolas, reroofing, recladding, etc. Alterations and additions do not include swimming pools, ongoing repairs, or maintenance and home improvements which do not involve building work.
<b>Commitment</b>	Is a firm offer of finance. It either has been, or is normally expected to be, accepted. Commitments accepted and cancelled in the same month are included. Commitments to non-residents are excluded.
<b>Construction and earth moving equipment</b>	Includes concrete mixers and pumpers, dozers, graders, mobile cranes, crawler tractors, dumpers, road rollers, earth packers, scarifiers, rippers, etc.
<b>Construction of dwellings</b>	Comprises commitments made to individuals to finance, by way of progress payments, the construction of owner occupied dwellings.
<b>Debt consolidation</b>	For personal finance, comprises commitments whose principle purpose is to consolidate and pay out amounts owing by the borrower to third parties.
<b>Dwelling</b>	Is a single self-contained place of residence such as a detached or semidetached house, a terrace house, a flat, home unit, town house, etc. which includes bathing and cooking facilities.
<b>Electronic data processing equipment</b>	Includes computers, computer peripherals, data entry devices, word processing machines, etc.
<b>Established dwelling</b>	Is a dwelling that has been completed for 12 months or more prior to the lodgement of a loan application, or has been previously occupied.
<b>Finance lease</b>	Refers to the leasing or hiring of tangible assets under an agreement, other than a hire purchase agreement, which substantially transfers from the lessor to the lessee all the risks and benefits incident to ownership of the asset without transferring the legal ownership.
<b>Fixed loans</b>	Generally involve: <ul style="list-style-type: none"><li>■ a commitment for a fixed amount for a fixed period for a specific purpose</li><li>■ a schedule of repayments over a fixed period</li><li>■ repayments which reduce the liability of the borrower but do not act to make further finance available.</li></ul>
<b>Heavy trucks</b>	Comprises all vehicles with a gross combination mass rating in excess of 3.5 tonnes, including prime movers registered without trailers.
<b>Light trucks</b>	Comprises vehicles constructed primarily for the carriage of goods which do not exceed 3.5 tonnes gross vehicle mass such as utilities, panel vans, trucks, cab-chassis, forward control vans and four-wheel drives used to carry goods.
<b>Manufacturing equipment</b>	Includes all plant and equipment used in the manufacture of goods except motor vehicles such as forklifts, work trucks and tractors.
<b>Motor cars and station wagons</b>	Includes cars, station wagons, four-wheel drive and forward control passenger vehicles with up to nine seats (including the driver).
<b>Motorcycles</b>	Includes two and three wheeled motorcycles and mopeds, scooters and motorcycles with side cars.
<b>New dwelling</b>	Is a dwelling that has been completed within 12 months of the lodgement of a loan application, and the borrower will be the first occupant.
<b>Office machines</b>	Includes telephone systems (including PABX equipment), facsimile machines, cash registers, photocopiers, etc.

## GLOSSARY *continued*

<b>Purpose</b>	Of the loan is that specified by the borrower. Where possible multiple purpose loans are split and each component is reported in the appropriate purpose category. Otherwise the whole loan is classified to the major purpose.
<b>Refinancing</b>	For personal and commercial finance, represents a commitment to refinance an existing loan. For secured housing finance, only those loans where the refinancing lender is not the original lender and the security is unchanged are included. The refinancing of a loan to fund a change of residence is treated as a new lending commitment.
<b>Revolving credit</b>	Generally has the following characteristics: <ul style="list-style-type: none"><li>■ a commitment for a credit or borrowing limit is given for a specific period after which the commitment is reviewed</li><li>■ the extent of the borrowing used at any time during the period may be for any amount up to the authorised limit</li><li>■ repayments (other than of charges and interest) made during the period reduce the extent of the borrowing used and thereby increase the amount of unused credit available up to the authorised limit. Examples include credit cards, lines of credit and approved overdrafts.</li></ul>
<b>Secured credit limits</b>	Includes overdrafts, lines of credit, credit cards, etc. backed by a mortgage or other assets owned by the borrower.
<b>Secured housing finance</b>	Comprises all secured commitments to individuals for the construction or purchase of dwellings for owner occupation, regardless of type of security. Commitments for housing that will be occupied by persons other than the owner(s) are excluded.
<b>Total credit limits at end of month</b>	Comprises total approved credit limits available at the end of the reference month. In principle, this can be derived by adding new and increased lending commitments during the month less cancellations and reductions of credit limits during the month to the balance of credit limits at the end of the previous month. In practice, however, revisions and other adjustments (such as the transfer of an existing fixed credit facility) will mean that such a derivation is inexact.
<b>Wholesale finance</b>	Comprises finance for the purchase of goods by retailers and wholesalers.





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